



CAREERS IN INSURANCE

Agent



The job — Insurance sales agents help individuals, families, and businesses select insurance policies that provide the best protection for their lives, health and property. Sales agents may work exclusively for one company or as “independent agents” selling for several companies. Agents prepare reports, maintain records, seek out new clients, and, in the event of a loss, help policyholders settle insurance claims. Increasingly, some also may offer their clients financial analysis or advice on ways they can minimize risk. Most insurance agents are based in small offices. However, most of their time may be spent outside their offices, traveling locally to meet with clients, close sales, or investigate claims. Agents usually set their own work schedules.

Most work a 40-hour week, but some work 60 hours a week or longer. Since this is a sales job, opportunities are strictly in the private sector and there are no “mirror” positions with the Department of Insurance.

Educational requirements — For insurance agency jobs, most companies and independent agencies prefer to hire college graduates — particularly those who have majored in business or economics. A few hire high school graduates with proven sales ability or who have been successful in other types of work. Agents doing business in Kentucky must be licensed by the Department of Insurance and meet continuing education requirements set by the commonwealth.

The job — Most underwriters work for insurance companies. They identify and calculate the risk of loss from policyholders, establish appropriate premium rates, and write policies that cover these risks. A company may lose business to competitors if the underwriter appraises risks too conservatively, or it may have to pay more claims if the underwriting actions are too liberal. Most underwriters are based in the insurance company’s home office, but some work out of branch offices. The term “underwriter” comes from the early days of insurance when an individual willing to assume a risk would actually “underwrite” or sign his name under the proposal.

Educational requirements — For entry level underwriting jobs in the private sector, most large insurance companies prefer college graduates who have a degree in business administration or finance with courses or experience in accounting. However, a bachelor’s degree in almost any field — plus courses in business law and accounting — provides a good general background and may be sufficient to qualify. Computer knowledge is essential. New employees usually start as underwriter trainees or assistant underwriters. Continuing education is necessary for advancement. Experienced underwriters who complete courses of study may advance to senior underwriter or underwriting manager positions.

Underwriter



Administrative support person



The job — Administrative support workers such as secretaries, typists, word processors, bookkeepers, and clerks are needed in every field, including insurance. An example of an insurance job in this category is a policy processing clerk or customer service representative. They review applications for completeness, compile data on policy changes and verify the accuracy of insurance company records.

Educational requirements — Most entry-level positions require at least a high school diploma and basic office skills. Continual training in the classroom or on-the-job is necessary for professional development and to keep current with new software applications. In addition, an insurance worker needs specialized skills and knowledge unique to the industry.

Claims adjuster/examiner

The job — Claims adjusters and examiners work for insurance companies. They decide whether claims are covered by the customer's policy, confirm payment, and, when necessary, investigate the circumstances surrounding a claim. Claims *adjusters* work for property and liability insurance carriers or for independent adjusting firms. They interview the claimant and witnesses, review police and hospital records and inspect property damage. Claims *examiners* work for life and health insurance carriers and investigate questionable claims or those exceeding a designated amount. Examiners check claim applications for completeness and accuracy, interview medical specialists and consult policy files to verify information on a claim. Adjusters work outside the office, inspecting damaged buildings and automobiles. Occasionally, experienced adjusters are away from home for days when they travel to the scene of a disaster — such as a tornado, hurricane, or flood — to work with local adjusters and government officials. (See *Fraud investigator* for more information on this field.)

Educational requirements — Most companies prefer to hire college graduates. No specific college major is recommended. An adjuster with a business or an accounting background might specialize in claims of financial loss due to strikes, breakdowns in equipment or damage to merchandise. College training in engineering is helpful in adjusting industrial claims, such as damage from fires and other accidents. A legal background is helpful in handling workers' compensation and product liability cases. Entry-level workers may be hired without a college degree if they have specialized experience. For example, people with knowledge of automobile mechanics or body repair may qualify as material damage adjusters. Knowledge of computer applications is extremely important for all claim representatives. Beginning adjusters and examiners work on small claims under the supervision of an experienced worker. Trainees are promoted as they demonstrate competence in handling assignments and as they progress in required coursework.





Actuary

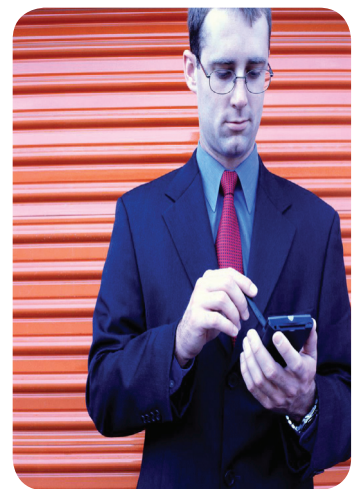
The job — Actuaries assemble and analyze data to estimate probabilities of death, sickness, injury, disability, retirement income level, property loss or return on investment. They use this information to estimate how much an insurance company will have to pay out in claims, or to make other business decisions. Actuaries have desk jobs and usually work at least 40 hours a week. Some actuaries, particularly consulting actuaries, travel to meet with clients and work more than 40 hours. The trend is for companies to contract with an outside consulting actuary rather than hire an actuary as a permanent employee.

Educational requirements — A good educational background for a beginning job in a large life or casualty insurance company is a bachelor's degree in mathematics, actuarial science or statistics, or a business-related discipline such as economics, finance or accounting. It is an advantage to pass, while still in school, two or more of the examinations offered by professional actuarial societies. Those who do have better opportunities for employment and higher starting salaries. Actuaries are encouraged to complete the entire series of examinations as soon as possible, advancing first to the Associate level, and then to the Fellowship level. Completion of the entire examination process generally takes from five to 10 years. An actuary who works for the Department of Insurance must have a bachelor's degree plus five years' experience. Fellowship in the Society of Actuaries or Casualty Actuarial Society may substitute for the required experience.

Fraud investigator

The job — Insurance fraud, simply put, is lying to an insurance company to get money. Many insurance companies have special investigation units that look into cases where fraud is suspected. Within state government, the Insurance Fraud Investigation Division is the Department of Insurance's law enforcement agency. The division is empowered to conduct criminal investigations of suspected fraudulent insurance acts. Investigations of suspicious activity may require irregular work hours and travel. In addition, there may be substantial contact with the public.

Educational requirements — In the private sector, applicants are often required to have a bachelor's degree and previous experience in insurance and investigations. Applicants for a state position as an "Insurance Fraud Investigator I" must have a bachelor's degree. The following work experience will substitute for the required education on a year-for-year basis: experience in investigative law enforcement; experience in the insurance industry in financial analysis, claims processing or management; experience dealing with substantive insurance issues with an insurance regulatory agency or a related agency; or experience as an insurance licensee. Criminal investigators are required to be certified law enforcement officers within one year of hire.



Information in this publication was adapted from the *Occupational Outlook Handbook* produced by the U.S. Department of Labor. The handbook is available online at <http://www.bls.gov/oco/>.



Analyst or examiner

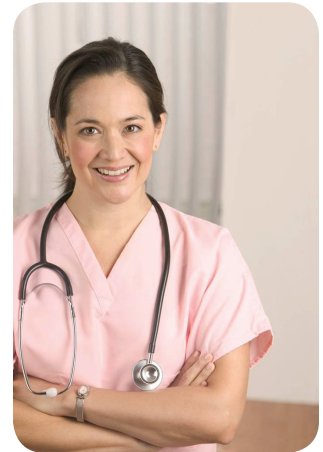
The job — There are several positions with state government that involve review and analysis of insurance company records and practices. An analyst reviews company policy forms and/or rate filings for compliance with state insurance laws and regulations; a financial analyst reviews financial reports; and market conduct examiners monitor business practices to ensure compliance with state law.

Educational requirements — Beginning positions require at least a bachelor's degree. An analyst must have a degree in business administration, accounting, mathematics, statistics, insurance or a related field. Financial analysts must have a degree that includes at least 20 semester hours of accounting.

Specialty professional

The job — A specialty professional adapts his or her skills from another field to the insurance profession. Examples: attorneys, health care workers, advertising and public relations specialists and computer systems analysts.

Educational requirements — Most specialty occupations require college degrees and/or other postsecondary education.



Risk manager

The job — Risk managers are employed by various types of businesses. Their job is to identify potential sources of loss, calculate the financial consequences of possible loss and implement techniques to minimize losses and their financial consequences. Risk managers also are employed by state government and provide risk management for all commonwealth property and liability exposures.

Educational requirements — Most companies prefer applicants that have at least obtained a bachelor's degree with some insurance experience.

Designation coursework, such as Associate in Risk Management (ARM) or Chartered Property and Casualty Underwriter (CPCU) is also highly desired. For employment with state government as an Insurance Risk Manager, applicants are required to have a bachelor's degree in insurance, risk management, business administration or a related field plus seven years of experience in risk management in a corporate, governmental, brokerage or consulting environment. Graduate study in one of the fields mentioned above or a CPCU or ARM designation will substitute for one year of experience.

Scholarships & Internships

Commonwealth of Kentucky — State government has a Co-op/Intern Educational Placement Program for students enrolled full-time at an accredited Kentucky secondary school in at least their junior year or in post-secondary school or other educational institutions as approved by the Personnel Cabinet. For more information, contact the Department for Personnel Administration's Division of Career Opportunities at the State Office Building, 1st Floor, 501 High Street, Frankfort, Kentucky 40601, 502-564-8030 or visit their Web site at <http://personnel.ky.gov/employment/coop>.

The Insurance Studies Program at Eastern Kentucky University — EKU has the only program offering an undergraduate degree in insurance in Kentucky. The regional insurance industry supports the program with scholarship funds each semester. Students must have completed at least one semester of their college studies. For more information, contact the Office of the Insurance Chairholder, 030 Business & Technology Center, Eastern Kentucky University, 521 Lancaster Avenue, Richmond, Kentucky 40475-3102, 859-622-1579 or visit their Web site at <http://www.insurance.eku.edu/>.

The National Association of Professional Surplus Lines Offices — NAPSLO sponsors paid summer internships with host members for college juniors and seniors. In addition, scholarships are available through the Derek Hughes/NAPSLO Educational Foundation. Visit the NAPSLO Web site at <http://www.napslo.org/> and click on *Foundation* and *Internships*. Or write NAPSLO, 200 NE 54th Street, Suite 200, Kansas City, MO 64118; phone 816-741-3910 or toll free 888-446-7414.

The Casualty Actuarial Society/Society of Actuaries — A scholarship program is available to groups that are under-represented in the actuarial profession: African North Americans, Hispanics, and Native North Americans. An applicant must be either a U.S. citizen, Canadian citizen, U.S. permanent resident, Canadian resident, U.S. student on an F1 visa or Canadian student on student authorization. For more information, visit their Web site at <http://www.beanactuary.org/minority/scholarship.cfm>.

How to apply for a state government job

Most jobs in this publication are found both in the private sector and state government. If you are interested in a **state** job, there is a process you have to go through. Applying for a state merit (civil service) job can be a complicated procedure, especially for a person who is new to state government. However, counselors at the Kentucky Personnel Cabinet can help walk you through the process. Basically there are four steps:

1. Identify a job classification that matches your skills and interests.
2. Fill out a state job application.
3. Submit the application to the Personnel Cabinet and talk to a counselor about how to “get on the register” for a job classification. (The register is a list of job candidates that is sent to an agency that is filling a vacancy in that class. You can be on the register for up to 15 classifications.)
4. Increase your chances of being called for an interview by letting the agency that’s hiring know you’re interested in the job. Send the agency a resume and a cover letter and follow up with a phone call.

For more detailed information, contact the Personnel Cabinet at State Office Building, 501 High Street, Frankfort, KY 40601, 502-564-8030 and press 0 for the operator. Another source of information is the Personnel Cabinet's home page <http://personnel.ky.gov/>.

DOI Mission Statement

“We promote sound, competitive insurance markets; protect the public through effective enforcement and regulation; and empower the public through outreach and education.”



Kentucky Public Protection Cabinet

Department of Insurance

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<http://doi.ppr.ky.gov/kentucky/>



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